GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:4560
ANSWERED ON:22.05.2006
DRUG PRICES LIABILITY REVIEW COMMITTEE
Muqueem Shri Mohammed

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

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(a) whether Drug Prices Liability Review Committee (DPLRC) has been put under suspension;

(b) if so, the details theceof; and

(c) the manner in which the Government proposes. to settle all the cases of DPEA recovery?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF THE STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

(a) Yes, Sir.

(b) The Drug Prices LiabHities Review Committee (DPLRC) was constituted vide resolution dated 21 st March, 1994 under the Chairmanship of a Judge of Delhi High Court alongwith two members for determination of DPEA liabilities of the drug companies. Since the DPLRC was not in a position to take up any new case in view of interim stay dated 30.6.1997 granted by the Hon`ble Bombay High Court in Writ Petition No. 2368/1996 filed by Indian Drug Manufacturers` Association (IDMA) and Organisation of Pharmaceutical Producers of India (OPPI) restraining the Department and its committees etc., from issuing fresh notices to the drug companies calling for information required for determining liabilities, the committee has been put under suspended animation with effect from 31 st December, 2005.

(c) After the stay granted by the Hon `ble Bombay High Court is vacated, a decision about revival of DPLRC may be taken, if necessary. Considering prolonged litigation in DPEA liability cases which pertain to the period with effect from 1.4.1979 to 25.8.1987 and the fact that most of the companies to whom demand notices have been sent, have moved various High Courts, it seems worthwhile to settle these cases through. a Settlement Commission. However, a decision in this regard has not yet been taken.